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DE RUEHCV #1400 1371802
ZNY CCCCC ZZH
R 171802Z MAY 06
FM AMEMBASSY CARACAS
TO RUEHC/SECSTATE WASHDC 4588
INFO RUEHHH/OPEC COLLECTIVE
RUEHBO/AMEMBASSY BOGOTA 6474
RUEHBR/AMEMBASSY BRASILIA 5470
RUEHBU/AMEMBASSY BUENOS AIRES 1219
RUEHLP/AMEMBASSY LA PAZ 2003
RUEHPE/AMEMBASSY LIMA 0239
RUEHSP/AMEMBASSY PORT OF SPAIN 3166
RUEHQT/AMEMBASSY QUITO 2083
RUEHSG/AMEMBASSY SANTIAGO 3521
RUEHDG/AMEMBASSY SANTO DOMINGO 0181
RHEHAAA/WHITEHOUSE WASHDC
RHEBAAA/DEPT OF ENERGY
RUCNDT/USMISSION USUN NEW YORK 0203
RUCPDO/DEPT OF COMMERCE
RUEATRS/DEPT OF TREASURY
RHEHNSC/NSC WASHDC

C O N F I D E N T I A L CARACAS 001400

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ENERGY FOR CDAY, DPUMPHREY, AND ALOCKWOOD
NSC FOR DTOMLINSON

E.O. 12958: DECL: 11/25/2015

TAGS: [EPET](#) [ENRG](#) [EINV](#) [VE](#)

SUBJECT: SUDDEN DROP IN VENEZUELAN EXPORTS

REF: A. CARACAS 01238

[1](#)B. CARACAS 01363

Classified By: Acting Economic Counselor Shawn E. Flatt for Reason 1.4
(D)

[1](#)1. (C) A senior ExxonMobil representative told Petroleum Attache on May 17 that Venezuelan crude exports have fallen by 300,000 barrels. (COMMENT: We believe, given the context of his remarks, that the representative meant per day. END COMMENT) The representative also stated ExxonMobil employees have noticed a sharp decrease in the number of tankers at the Jose oil terminal. The representative stated ExxonMobil believes that Venezuelan production has dropped sharply in recent weeks but is not sure why.

[1](#)2. (C) COMMENT: As noted in Reftel A, PDVSA has suffered from a long list of managerial, administrative, and operational problems stemming in part from Bolivarian ideology and the firing of thousands of employees as a result of the 2002-3 strike. We are not aware of any recent event that would account for a sudden decline in either production or exports. We also note that it is interesting that PDVSA's recent push to prove to the USG that Venezuela is reliable supplier (Reftel B) happens to occur at the very moment we are hearing reports that exports have suddenly dropped. END COMMENT
BROWNFIELD